

County of Los Angeles
DEPARTMENT OF PUBLIC SOCIAL SERVICES

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COUNTY OF LOS ANGELES

#16 MARCH 29, 2011

Sachi A. Hamai
SACHI A. HAMAI
EXECUTIVE OFFICER

March 29, 2011

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
500 West Temple Street
Los Angeles, CA 90012

Dear Supervisors:

**APPROVE A REDUCTION IN THE NUMBER OF ELIGIBILITY WORK HOURS
REQUIRED FOR IN-HOME SUPPORTIVE SERVICES HOMECARE WORKERS TO
BE ELIGIBLE FOR COMMUNITY HEALTH PLAN BENEFITS
(ALL DISTRICTS – 3 VOTES)**

SUBJECT

Board approval is requested to lower the eligibility criteria for In-Home Supportive Services (IHSS) Homecare Workers to receive Community Health Plan (CHP) benefits under the Personal Assistance Services Council (PASC) – Service Employees International Union (SEIU) Homecare Workers Health Care Plan Agreement effective April 1, 2011.

**JOINT RECOMMENDATION BY THE DIRECTORS OF THE DEPARTMENT OF
PUBLIC SOCIAL SERVICES AND THE DEPARTMENT OF HEALTH SERVICES
THAT YOUR BOARD:**

1. Approve the reduction in the authorized hours of service from 80 hours per month for two consecutive months to 77 hours per month for two consecutive months for IHSS Homecare Workers to be eligible to CHP benefits under the PASC-SEIU Homecare Workers Health Care Plan Group Benefits Agreement effective April 1, 2011.

2. Authorize and delegate authority to the Director of the Department of Public Social Services (DPSS), or his designee, to instruct the PASC to negotiate and amend the PASC-SEIU Homecare Workers Health Care Plan Agreement to reflect the reduction of authorized hours of service from 80 hours per month for two consecutive months to 77 hours per month for two consecutive months effective April 1, 2011.
3. Authorize and delegate authority to the Director of the Department of Health Services (DHS), or his designee, to amend their PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement with the PASC, Contract Number H-213335, to reflect the reduction in the authorized service hours from 80 hours per month for two consecutive months to 77 hours per month for two consecutive months effective April 1, 2011.
4. In the event the State restores IHSS recipient's total authorized hours by 3.6 percent, (a) approve the increase in the authorized hours of service from 77 hours per month for two consecutive months to 80 hours per month for two consecutive months for IHSS Homecare Workers to be eligible to CHP benefits under the PASC-SEIU Homecare Workers Health Care Plan Group Benefits Agreement, (b) authorize and delegate authority to the Director of DPSS, or his designee, to instruct the PASC to negotiate and amend the PASC-SEIU Homecare Workers Health Care Plan Agreement to reflect the increase of authorized hours of service from 77 hours per month for two consecutive months to 80 hours per month for two consecutive months, and (c) authorize and delegate authority to the Director of DHS, or his designee, to amend their PASC-SEIU Homecare Workers Health Care Plan Group Benefit Agreement with the PASC, Contract Number H-213335, to reflect the increase in the authorized service hours from 77 hours per month for two consecutive months to 80 hours per month for two consecutive months.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

On June 8, 2004, your Board approved the eligibility criteria for authorized hours of service as 80 hours per month for two consecutive months for IHSS Homecare Workers to qualify for CHP benefits under the PASC-SEIU Health Care Plan. CHP is a health maintenance organization licensed as a full service, health care service plan under the California Knox-Keene Health Services Plan Act of 1975. Should the IHSS Homecare Workers' authorized hours of service fall below the eligibility criteria, they continue to remain eligible for two additional months of CHP benefits before becoming ineligible. All other criteria for eligibility remains the same.

Effective February 1, 2011, Assembly Bill (AB) 1612 (Chapter 725, Statutes of 2010) added Section 12301.06 to the Welfare and Institutions Code requiring the California Department of Social Services to reduce every IHSS recipient's total authorized hours by 3.6 percent. This reduction directly impacts the IHSS Homecare Workers' total number of authorized hours of service and results in a disqualification for CHP benefits under the PASC-SEIU Health Care Plan for those providing between 80 and 82 hours per month of authorized hours of service as of January 2011.

On February 20, 2011, PASC notified approximately 1,710 IHSS Homecare Workers who will fall below the eligibility criteria that due to their reduction of authorized hours of service worked, their CHP benefits under the PASC-SEIU Health Care Plan would end March 31, 2011.

By reducing the authorized hours of service per month from 80 to 77 per month for two consecutive months, approximately 1,710 current IHSS Homecare Workers will retain their CHP benefits under the PASC-SEIU Health Care Plan. Additionally, providers who would have qualified in the future based on 80-82 hours of service per month, absent the 3.6 percent reduction in authorized hours, will qualify based on 77-79 service hours per month.

Implementation of Strategic Plan Goals

The recommended actions are consistent with the principles of the Countywide Strategic Plan, Goal 2, Children, Family, and Well-Being: Enhance economic and social outcomes through integrated, cost-effective, and client centered supportive services, Strategy 2, Information Sharing: Promote information sharing and strategic planning between clusters, departments and agencies to create more accessible and cost effective service delivery, and Strategy 3, Cost Avoidance: Increase cost avoidance and improved service outcomes through improved administrative efficiency and management.

FISCAL IMPACT/FINANCING

Funding allocated for the CHP and its PASC administrative cost under the PASC-SEIU Health Care Plan in the DPSS FY 2010-11 budget is \$115.7 million. The current monthly CHP premium payment for each IHSS Homecare Worker enrolled under the PASC-SEIU Health Care Plan is supplemented by federal, State and County participation. There is no fiscal impact associated with the reduction in the eligibility criteria in authorized hours of service from 80 to 77 hours since the current FY budget includes funding for the health benefits of the 1,710 IHSS Homecare Workers that will retain their CHP benefits if the eligibility criteria in authorized hours of service is reduced.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

As of December 1, 2010, 85,500 IHSS Homecare Workers qualified for CHP benefits under the PASC-SEIU Health Care Plan, but only 37,500 were enrolled. A significant reason for not enrolling in CHP benefits under the PASC-SEIU Health Care Plan includes having other medical coverage, such as Medi-Cal or spousal benefits.

Due to AB 1612, of the 37,500 enrolled IHSS Homecare Workers, an estimated 1,710 IHSS Homecare Workers will lose their CHP benefits under the PASC-SEIU Health Care Plan effective April 1, 2011.

The Board established the eligibility criteria for the CHP benefits under the PASC-SEIU Health Care Plan. Lowering the IHSS Homecare Workers' required eligibility criteria of authorized hours of service from 80 hours per month for two consecutive months to 77 hours per month for two consecutive months would allow 1,710 current IHSS Homecare Workers to continue receiving health benefits. This change requires Board approval.

IMPACT ON CURRENT SERVICES

The recommended actions would help to maintain the IHSS Homecare workforce affected by the 3.6 percent reduction in authorized work hours who might otherwise leave the IHSS program for lack of affordable health care plan, and would avert replacement of the IHSS Homecare Worker providing services to the IHSS consumer.

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CONCLUSION

Upon Board approval, the Executive Office, Board of Supervisors, is requested to return one adopted stamped Board Letter to DPSS and one adopted stamped Board Letter to DHS.

Respectfully submitted,



PHILIP L. BROWNING
Director



MITCHELL H. KATZ, M.D.
Director

PLB:MHK:rml

c: Chief Executive Officer
County Counsel
Executive Officer, Board of Supervisors
Personal Assistance Services Council